

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

Mississippi 2-Wire Voice Grade Loop

<u>Description</u>	<u>Volume Sensitive</u>			<u>Volume Insensitive</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$28.8356	\$2.8191	\$31.6547	\$0.0000	\$0.0000	\$0.0000
LABOR EXPENSES:						
OTHER EXPENSES:						
Subscriber Line Testing	\$0.2908	\$0.0000	\$0.2908	\$0.0000	\$0.0000	\$0.0000
Total Monthly Cost Per Access Line - NTW	<u>\$0.0579</u>	<u>\$0.0000</u>	<u>\$0.0579</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Total Monthly Cost	<u>\$29.1843</u>	<u>\$2.8191</u>	<u>\$32.0033</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Gross Receipts Tax Factor		X	<u>1.0000</u>		X	<u>1.0000</u>
Cost (Including Gross Receipts Tax)			<u>\$32.0033</u>			<u>\$0.0000</u>
Common Cost Factor		X	<u>1.0000</u>		X	<u>1.0000</u>
Monthly Economic Cost			<u>\$32.0033</u>			<u>\$0.0000</u>

Total Monthly Economic Cost: \$32.0033

Mississippi
2-Wire Voice Grade Loop

Description	FRC	Sub FRC	Material	Inflation Factor	Adjusted Material	In-Plant Factors (Default = 1)					In-Plant Investment	Supporting Equipment &/or Power Loading	Total Investment
						Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor			
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0063	1.1254	\$0.0071	NA	4.3067	NA	NA	NA	\$0.0305	NA	\$0.0305
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0064	1.1254	\$0.0072	NA	4.3067	NA	NA	NA	\$0.0310	NA	\$0.0310
Aerial Ca - Metal	22C	00	\$4.2348	1.1254	\$4.7661	NA	3.5765	NA	NA	NA	\$17.0456	NA	\$17.0456
Aerial Ca - Metal - Drop	22C	01	\$21.3020	1.1254	\$23.9741	NA	NA	NA	NA	NA	\$23.9741	NA	\$23.9741
Aerial Ca - Metal 24-Guage	22C4	00	\$47.1459	1.1254	\$53.0599	NA	3.5765	NA	NA	NA	\$189.7669	NA	\$189.7669
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$17.0257	0.9800	\$16.6852	NA	NA	NA	NA	2.4574	\$41.0030	1.0233	\$41.9588
Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP	257C	06	\$74.4537	0.9800	\$72.9646	NA	NA	NA	1.2251	NA	\$89.3873	1.0233	\$91.4710
Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$9.8029	0.9800	\$9.6068	NA	NA	NA	1.2251	NA	\$11.7691	1.0233	\$12.0435
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0094	0.9800	\$0.0092	NA	NA	NA	NA	2.4574	\$0.0227	1.0213	\$0.0232
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0184	0.9800	\$0.0181	NA	NA	NA	1.2251	NA	\$0.0221	1.0213	\$0.0226
Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0273	0.9800	\$0.0267	NA	NA	NA	1.2251	NA	\$0.0327	1.0213	\$0.0334
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$99.2857	0.9800	\$97.3000	NA	NA	NA	NA	2.4574	\$239.1093	1.0213	\$244.1984
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$81.8397	0.9800	\$80.2029	NA	NA	NA	1.2251	NA	\$98.2548	1.0213	\$100.3460
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$33.0753	0.9800	\$32.4138	NA	NA	NA	1.2251	NA	\$39.7094	1.0213	\$40.5546
Digital Elec Switch - MDF	377C	05	\$3.7700	1.0338	\$3.8973	NA	1.4465	NA	NA	NA	\$5.6376	1.1533	\$6.5021
Buried Ca - Metal	45C	00	\$6.8794	1.1037	\$7.5925	NA	5.5755	NA	NA	NA	\$42.3318	NA	\$42.3318
Buried Ca - Metal - Drop	45C	01	\$51.6187	1.1037	\$56.9694	NA	NA	NA	NA	NA	\$56.9694	NA	\$56.9694
Buried Ca - Metal 24-Guage	45C4	00	\$68.3091	1.1037	\$75.3898	NA	5.5755	NA	NA	NA	\$420.3364	NA	\$420.3364
Intrbld Network - Metal	52C	00	\$0.4134	1.1325	\$0.4681	NA	4.5867	NA	NA	NA	\$2.1472	NA	\$2.1472
Intrbld Network - Metal 24-Guage	52C4	00	\$0.0530	1.1325	\$0.0600	NA	4.5867	NA	NA	NA	\$0.2754	NA	\$0.2754
Underground Ca - Metal	5C	00	\$2.2374	1.1325	\$2.5338	NA	3.9520	NA	NA	NA	\$10.0135	NA	\$10.0135
Underground Ca - Metal 24-Guage	5C4	00	\$4.8008	1.1325	\$5.4368	NA	3.9520	NA	NA	NA	\$21.4860	NA	\$21.4860
Aerial Ca - Fiber - Building Entrance	812C	00	\$0.0000	1.0235	\$0.0000	NA	4.7897	NA	NA	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Fiber	822C	00	\$24.9144	1.0235	\$25.4990	NA	2.9181	NA	NA	NA	\$74.4091	NA	\$74.4091
Buried Ca - Fiber	845C	00	\$27.6420	1.0578	\$29.2400	NA	3.7000	NA	NA	NA	\$108.1879	NA	\$108.1879
Underground Ca - Fiber	85C	00	\$3.6074	0.9933	\$3.5834	NA	2.2107	NA	NA	NA	\$7.9218	NA	\$7.9218
											\$1,499.8747		\$1,512.0802

Mississippi
2-Wire Voice Grade Loop

A=Prev Page
Col G

B

C=AxB

D

E=AxD

F

G=AxF

H

I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0305	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0310	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal	22C	00	\$17.0456	NA	\$0.0000	NA	\$0.0000	0.2863	\$4.8800	NA	\$0.0000
Aerial Ca - Metal - Drop	22C	01	\$23.9741	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal 24-Guage	22C4	00	\$189.7669	NA	\$0.0000	NA	\$0.0000	0.2863	\$54.3285	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$41.9588	0.0042	\$0.1756	0.1317	\$5.5244	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP	257C	06	\$91.4710	0.0042	\$0.3828	0.1317	\$12.0434	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$12.0435	0.0042	\$0.0504	0.1317	\$1.5857	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0232	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0226	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0334	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$244.1984	0.0042	\$1.0219	0.1317	\$32.1520	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$100.3460	0.0042	\$0.4199	0.1317	\$13.2119	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$40.5546	0.0042	\$0.1697	0.1317	\$5.3396	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$6.5021	0.0042	\$0.0272	0.1317	\$0.8561	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal	45C	00	\$42.3318	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal - Drop	45C	01	\$56.9694	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal 24-Guage	45C4	00	\$420.3364	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrbld Network - Metal	52C	00	\$2.1472	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrbld Network - Metal 24-Guage	52C4	00	\$0.2754	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Metal	5C	00	\$10.0135	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8747	\$8.7586
Underground Ca - Metal 24-Guage	5C4	00	\$21.4860	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8747	\$18.7934
Aerial Ca - Fiber - Building Entrance	812C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Fiber	822C	00	\$74.4091	NA	\$0.0000	NA	\$0.0000	0.2863	\$21.3027	NA	\$0.0000
Buried Ca - Fiber	845C	00	\$108.1879	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Fiber	85C	00	\$7.9218	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8747	\$6.9291
				FRC 20C:	\$2.2474	FRC 10C:	\$70.7130	FRC 1C:	\$80.5112	FRC 4C:	\$34.4810

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Mississippi
2-Wire Voice Grade Loop

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
				Cost of Money & Factor	Income Tax & Factor	Plant Specific Expense & Factor	Ad Valorem Expense & Factor	Direct Cost
Description	FRC	Investment	Depreciation & Factor					
Buildings - COE	10C	\$70.7130	\$1.4823	\$6.3156	\$2.9959	\$3.9105	\$0.6986	\$15.4029
			0.0210	0.0893	0.0424	0.0553	0.0099	
Aerial Ca - Metal - Building Entrance	12C	\$0.0615	\$0.0048	\$0.0041	\$0.0019	\$0.0017	\$0.0006	\$0.0131
			0.0775	0.0669	0.0317	0.0276	0.0099	
Poles	1C	\$80.5112	\$3.5308	\$5.8201	\$2.7609	\$4.2516	\$0.7954	\$17.1588
			0.0439	0.0723	0.0343	0.0528	0.0099	
Land - COE	20C	\$2.2474	\$0.0000	\$0.2528	\$0.1199	\$0.0000	\$0.0222	\$0.3949
			0.0000	0.1125	0.0534	0.0000	0.0099	
Aerial Ca - Metal	22C	\$206.8125	\$16.0247	\$13.8274	\$6.5592	\$5.7079	\$2.0432	\$44.1625
			0.0775	0.0669	0.0317	0.0276	0.0099	
Aerial Ca - Metal - Drop	22C	\$23.9741	\$1.8576	\$1.6029	\$0.7604	\$0.6617	\$0.2369	\$5.1194
			0.0775	0.0669	0.0317	0.0276	0.0099	
Digitl Circ - Pair Gain	257C	\$530.6515	\$59.5832	\$26.0447	\$12.3547	\$10.5322	\$5.2427	\$113.7576
			0.1123	0.0491	0.0233	0.0198	0.0099	
Digital Elec Switch	377C	\$6.5021	\$0.6412	\$0.3338	\$0.1584	\$0.1478	\$0.0642	\$1.3454
			0.0986	0.0513	0.0244	0.0227	0.0099	
Buried Ca - Metal	45C	\$462.6682	\$33.2595	\$31.2264	\$14.8127	\$9.1396	\$4.5710	\$93.0092
			0.0719	0.0675	0.0320	0.0198	0.0099	
Buried Ca - Metal - Drop	45C	\$56.9694	\$4.0953	\$3.8450	\$1.8239	\$1.1254	\$0.5628	\$11.4524
			0.0719	0.0675	0.0320	0.0198	0.0099	
Conduit Systems	4C	\$34.4810	\$0.4076	\$2.8382	\$1.3464	\$0.0661	\$0.3407	\$4.9989

**Mississippi
2-Wire Voice Grade Loop**

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
						Plant		
						Specific	Ad Valorem	
						Expense	Expense	
						& Factor	& Factor	
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Plant Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	<u>Direct Cost</u>
			0.0118	0.0823	0.0390	0.0019	0.0099	
Intrbld Network - Metal	52C	\$2.4226	\$0.1402	\$0.1612	\$0.0765	\$0.0023	\$0.0239	\$0.4041
			0.0579	0.0665	0.0316	0.0010	0.0099	
Underground Ca - Metal	5C	\$31.4994	\$2.4751	\$2.1042	\$0.9982	\$0.5572	\$0.3112	\$6.4459
			0.0786	0.0668	0.0317	0.0177	0.0099	
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0600	0.0665	0.0316	0.0049	0.0099	
Aerial Ca - Fiber	822C	\$74.4091	\$4.4621	\$4.9517	\$2.3489	\$0.3621	\$0.7351	\$12.8600
			0.0600	0.0665	0.0316	0.0049	0.0099	
Buried Ca - Fiber	845C	\$108.1879	\$5.9760	\$7.2761	\$3.4515	\$0.4120	\$1.0689	\$18.1845
			0.0552	0.0673	0.0319	0.0038	0.0099	
Underground Ca - Fiber	85C	\$7.9218	\$0.4539	\$0.5244	\$0.2488	\$0.0121	\$0.0783	\$1.3174
			0.0573	0.0662	0.0314	0.0015	0.0099	
		<u>\$1,700.0328</u>						<u>\$346.0271</u>
Monthly Cost(Total / 12):								\$28.8356

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Mississippi
2-Wire Voice Grade Loop**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Buildings - COE	10C	\$70.7130	\$15.4029	0.0001	\$0.0076	\$15.4105
Aerial Ca - Metal - Building Entrance	12C	\$0.0615	\$0.0131	0.0277	\$0.0017	\$0.0148
Poles	1C	\$80.5112	\$17.1588	0.0137	\$1.1055	\$18.2643
Land - COE	20C	\$2.2474	\$0.3949	0.0000	\$0.0000	\$0.3949
Aerial Ca - Metal	22C	\$206.8125	\$44.1625	0.0277	\$5.7247	\$49.8871
Aerial Ca - Metal - Drop	22C	\$23.9741	\$5.1194	0.0277	\$0.6636	\$5.7830
Digtl Circ - Pair Gain	257C	\$530.6515	\$113.7576	0.0171	\$9.0821	\$122.8397
Digital Elec Switch	377C	\$6.5021	\$1.3454	0.0167	\$0.1085	\$1.4539
Buried Ca - Metal	45C	\$462.6682	\$93.0092	0.0246	\$11.3613	\$104.3705
Buried Ca - Metal - Drop	45C	\$56.9694	\$11.4524	0.0246	\$1.3989	\$12.8514
Conduit Systems	4C	\$34.4810	\$4.9989	0.0098	\$0.3381	\$5.3370

**Mississippi
2-Wire Voice Grade Loop**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Intrbld Network - Metal	52C	\$2.4226	\$0.4041	0.0135	\$0.0327	\$0.4368
Underground Ca - Metal	5C	\$31.4994	\$6.4459	0.0191	\$0.6011	\$7.0470
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	0.0219	\$0.0000	\$0.0000
Aerial Ca - Fiber	822C	\$74.4091	\$12.8600	0.0219	\$1.6260	\$14.4859
Buried Ca - Fiber	845C	\$108.1879	\$18.1845	0.0151	\$1.6373	\$19.8218
Underground Ca - Fiber	85C	\$7.9218	\$1.3174	0.0177	\$0.1398	\$1.4572
		\$1,700.0328	\$346.0271		\$33.8290	\$379.8560
Monthly Costs (Total / 12):			\$28.8356		\$2.8191	\$31.6547

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

Mississippi Exchange Port - 2-Wire Line Port

<u>Description</u>	<u>Volume Sensitive</u>			<u>Volume Insensitive</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$1.1951	\$0.0845	\$1.2796	\$0.0766	\$0.0000	\$0.0766
LABOR EXPENSES:						
OTHER EXPENSES:						
Total Monthly Cost	<u>\$1.1951</u>	<u>\$0.0845</u>	<u>\$1.2796</u>	<u>\$0.0766</u>	<u>\$0.0000</u>	<u>\$0.0766</u>
Gross Receipts Tax Factor		X	<u>1.0000</u>		X	<u>1.0000</u>
Cost (Including Gross Receipts Tax)			<u>\$1.2796</u>			<u>\$0.0766</u>
Common Cost Factor		X	<u>1.0000</u>		X	<u>1.0000</u>
Monthly Economic Cost			<u>\$1.2796</u>			<u>\$0.0766</u>

Total Monthly Economic Cost: \$1.3561

11/6/2001

Investment Development - Volume Sensitive

Primary Res. and Single Line Bus.

Mississippi
Exchange Port - 2-Wire Line Port

		A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF	
		In-Plant Factors (Default = 1)										Supporting Equipment &/or Power Loading	Total Investment
Description	FRC	Sub FRC	Material	Inflation Factor	Adjusted Material	Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor	In-Plant Investment		
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$44.0297	1.0338	\$45.5165	NA	NA	1.1559	NA	NA	\$52.6130	1.1533	\$60.6810
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.4465	NA	NA	NA	\$0.0000	1.1533	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	NA	NA	NA	NA	\$0.0000	NA	\$0.0000
											\$52.6130		\$60.6810

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Mississippi
Exchange Port - 2-Wire Line Port**

A=Prev Page Col G B C=AxB D E=AxD F G=AxF H I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$60.6810	0.0042	\$0.2539	0.1317	\$7.9895	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0042	\$0.0000	0.1317	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	<u>\$0.2539</u>	FRC 10C:	<u>\$7.9895</u>	FRC 1C:	<u>\$0.0000</u>	FRC 4C:	<u>\$0.0000</u>

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Mississippi
Exchange Port - 2-Wire Line Port

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
						Plant		
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	<u>Direct Cost</u>
Buildings - COE	10C	\$7.9895	\$0.1675	\$0.7136	\$0.3385	\$0.4418	\$0.0789	\$1.7403
			0.0210	0.0893	0.0424	0.0553	0.0099	
Poles	1C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0439	0.0723	0.0343	0.0528	0.0099	
Land - COE	20C	\$0.2539	\$0.0000	\$0.0286	\$0.0135	\$0.0000	\$0.0025	\$0.0446
			0.0000	0.1125	0.0534	0.0000	0.0099	
Digital Elec Switch	377C	\$60.6810	\$5.9837	\$3.1156	\$1.4779	\$1.3796	\$0.5995	\$12.5563
			0.0986	0.0513	0.0244	0.0227	0.0099	
Conduit Systems	4C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0118	0.0823	0.0390	0.0019	0.0099	
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.3333	0.0525	0.0249	NA	0.0099	
		<u>\$68.9244</u>						<u>\$14.3412</u>
Monthly Cost(Total / 12):								\$1.1951

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Mississippi
Exchange Port - 2-Wire Line Port

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Buildings - COE	10C	\$7.9895	\$1.7403	0.0001	\$0.0009	\$1.7411
Poles	1C	\$0.0000	\$0.0000	0.0137	\$0.0000	\$0.0000
Land - COE	20C	\$0.2539	\$0.0446	0.0000	\$0.0000	\$0.0446
Digital Elec Switch	377C	\$60.6810	\$12.5563	0.0167	\$1.0126	\$13.5689
Conduit Systems	4C	\$0.0000	\$0.0000	0.0098	\$0.0000	\$0.0000
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000	NA	\$0.0000	\$0.0000
		\$68.9244	\$14.3412		\$1.0135	\$15.3546
Monthly Costs (Total / 12):			\$1.1951		\$0.0845	\$1.2796

11/6/2001

Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

Mississippi
Exchange Port - 2-Wire Line Port

		A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF	
		In-Plant Factors (Default = 1)										Supporting Equipment &/or Power Loading	Total Investment
Description	FRC	Sub FRC	Inflation Factor	Adjusted Material	Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor	In-Plant Investment			
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	1.0338	\$0.0000	NA	NA	1.1559	NA	NA	\$0.0000	1.1533	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.4465	NA	NA	NA	\$0.0000	1.1533	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$2.1843	NA	\$2.1843	NA	NA	NA	NA	NA	\$2.1843	NA	\$2.1843
											\$2.1843		\$2.1843

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

Mississippi
Exchange Port - 2-Wire Line Port

A=Prev Page
Col G

B

C=AxB

D

E=AxD

F

G=AxF

H

I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	0.0042	\$0.0000	0.1317	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0042	\$0.0000	0.1317	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$2.1843	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	<u>\$0.0000</u>	FRC 10C:	<u>\$0.0000</u>	FRC 1C:	<u>\$0.0000</u>	FRC 4C:	<u>\$0.0000</u>

11/6/2001

Recurring Direct Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

Mississippi
Exchange Port - 2-Wire Line Port

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
						Plant		
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	<u>Direct Cost</u>
Land - COE	20C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0000	0.1125	0.0534	0.0000	0.0099	
Buildings - COE	10C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0210	0.0893	0.0424	0.0553	0.0099	
Poles	1C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0439	0.0723	0.0343	0.0528	0.0099	
Conduit Systems	4C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0118	0.0823	0.0390	0.0019	0.0099	
Digital Elec Switch	377C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0986	0.0513	0.0244	0.0227	0.0099	
Intangibles - Network Switch Software RTU	560C	\$2.1843	\$0.7281	\$0.1147	\$0.0544	\$0.0000	\$0.0216	\$0.9187
			0.3333	0.0525	0.0249	NA	0.0099	
		<u>\$2.1843</u>						<u>\$0.9187</u>
Monthly Cost(Total / 12):								\$0.0766

11/6/2001

Recurring Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

Mississippi
Exchange Port - 2-Wire Line Port

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
				Shared		
			Direct	Cost	Shared	
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Cost</u>	<u>Factor</u>	<u>Cost</u>	<u>ir. & Shrd.</u>
Land - COE	20C	\$0.0000	\$0.0000	0.0000	\$0.0000	\$0.0000
Buildings - COE	10C	\$0.0000	\$0.0000	0.0001	\$0.0000	\$0.0000
Poles	1C	\$0.0000	\$0.0000	0.0137	\$0.0000	\$0.0000
Conduit Systems	4C	\$0.0000	\$0.0000	0.0098	\$0.0000	\$0.0000
Digital Elec Switch	377C	\$0.0000	\$0.0000	0.0167	\$0.0000	\$0.0000
Intangibles - Network Switch Software RTU	560C	\$2.1843	\$0.9187	NA	\$0.0000	\$0.9187
		<u>\$2.1843</u>	<u>\$0.9187</u>		<u>\$0.0000</u>	<u>\$0.9187</u>
Monthly Costs (Total / 12):			\$0.0766		\$0.0000	\$0.0766

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

North Carolina 2-Wire Voice Grade Loop

<u>Description</u>	<u>Volume Sensitive</u>			<u>Volume Insensitive</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$17.7245	\$1.7993	\$19.5238	\$0.0000	\$0.0000	\$0.0000
LABOR EXPENSES:						
OTHER EXPENSES:						
Subscriber Line Testing	\$0.2761	\$0.0000	\$0.2761	\$0.0000	\$0.0000	\$0.0000
Total Monthly Cost Per Access Line - NTW	<u>\$0.1110</u>	<u>\$0.0000</u>	<u>\$0.1110</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Total Monthly Cost	<u>\$18.1116</u>	<u>\$1.7993</u>	<u>\$19.9109</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Gross Receipts Tax Factor			X 1.0000			X 1.0000
Cost (Including Gross Receipts Tax)			<u>\$19.9109</u>			<u>\$0.0000</u>
Common Cost Factor			X 1.0000			X 1.0000
Monthly Economic Cost			<u>\$19.9109</u>			<u>\$0.0000</u>

Total Monthly Economic Cost: \$19.9109

			A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF
						In-Plant Factors (Default = 1)						Supporting Equipment &/or Power Loading	Total Investment
						Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardware Factor	In-Plant Investment		
Description	FRC	Sub FRC	Material	Inflation Factor	Adjusted Material	Factor	Factor	Factor	Factor	Factor			
ance	12C	00	\$0.0012	1.1254	\$0.0013	NA	4.3088	NA	NA	NA	\$0.0058	NA	\$0.0058
ance 24-Gauge	12C4	00	\$0.0036	1.1254	\$0.0040	NA	4.3088	NA	NA	NA	\$0.0173	NA	\$0.0173
	22C	00	\$4.3278	1.1254	\$4.8706	NA	4.9124	NA	NA	NA	\$23.9266	NA	\$23.9266
	22C	01	\$15.8972	1.1254	\$17.8913	NA	NA	NA	NA	NA	\$17.8913	NA	\$17.8913
	22C4	00	\$23.8546	1.1254	\$26.8470	NA	4.9124	NA	NA	NA	\$131.8833	NA	\$131.8833
ardwired - MCEP	257C	03	\$5.0118	0.9800	\$4.9116	NA	NA	NA	NA	2.8581	\$14.0377	1.0329	\$14.5003
om. Plug-in - MCEP	257C	06	\$18.5362	0.9800	\$18.1655	NA	NA	NA	1.1896	NA	\$21.6089	1.0329	\$22.3209
ef. Plug-in - MCEP W/O Sp. Stock	257C	12	\$7.5629	0.9800	\$7.4117	NA	NA	NA	1.1896	NA	\$8.8166	1.0329	\$9.1071
ardwired - Power Only	257C	19	\$0.0004	0.9800	\$0.0004	NA	NA	NA	NA	2.8581	\$0.0011	1.0319	\$0.0011
om. Plug-in - Power Only	257C	22	\$0.0008	0.9800	\$0.0008	NA	NA	NA	1.1896	NA	\$0.0009	1.0319	\$0.0009
ef. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0015	0.9800	\$0.0015	NA	NA	NA	1.1896	NA	\$0.0018	1.0319	\$0.0019
Hardwired - Power Only	257C	37	\$47.0604	0.9800	\$46.1192	NA	NA	NA	NA	2.8581	\$131.8137	1.0319	\$136.0121
Com. Plug-in - Power Only	257C	40	\$35.8537	0.9800	\$35.1366	NA	NA	NA	1.1896	NA	\$41.7971	1.0319	\$43.1284
Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$34.7512	0.9800	\$34.0562	NA	NA	NA	1.1896	NA	\$40.5119	1.0319	\$41.8022
	377C	05	\$3.1500	1.0338	\$3.2564	NA	1.3171	NA	NA	NA	\$4.2889	1.0989	\$4.7129
	45C	00	\$7.8356	1.1037	\$8.6478	NA	6.5346	NA	NA	NA	\$56.5099	NA	\$56.5099
	45C	01	\$41.5040	1.1037	\$45.8062	NA	NA	NA	NA	NA	\$45.8062	NA	\$45.8062
	45C4	00	\$40.9085	1.1037	\$45.1489	NA	6.5346	NA	NA	NA	\$295.0309	NA	\$295.0309
	52C	00	\$0.2688	1.1325	\$0.3044	NA	3.9624	NA	NA	NA	\$1.2061	NA	\$1.2061
	52C4	00	\$0.0306	1.1325	\$0.0346	NA	3.9624	NA	NA	NA	\$0.1372	NA	\$0.1372
	5C	00	\$4.7958	1.1325	\$5.4312	NA	3.2330	NA	NA	NA	\$17.5587	NA	\$17.5587
	5C4	00	\$6.1226	1.1325	\$6.9337	NA	3.2330	NA	NA	NA	\$22.4163	NA	\$22.4163
	812C	00	\$0.0000	1.0235	\$0.0000	NA	4.8118	NA	NA	NA	\$0.0000	NA	\$0.0000
	822C	00	\$4.5365	1.0235	\$4.6430	NA	2.7282	NA	NA	NA	\$12.6669	NA	\$12.6669
	845C	00	\$5.0159	1.0578	\$5.3059	NA	3.9760	NA	NA	NA	\$21.0960	NA	\$21.0960
	85C	00	\$1.4678	0.9933	\$1.4580	NA	1.9076	NA	NA	NA	\$2.7813	NA	\$2.7813
											\$911.8126		\$920.5216

North Carolina
2-Wire Voice Grade Loop

A=Prev Page
Col G

B

C=AxB

D

E=AxD

F

G=AxF

H

I=AxH

Description	FRC	Sub FRC	Investment	Land Factor	Land Investment	Building Factor	Building Investment	Pole Factor	Pole Investment	Conduit Factor	Conduit Investment
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0058	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0173	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal	22C	00	\$23.9266	NA	\$0.0000	NA	\$0.0000	0.2617	\$6.2611	NA	\$0.0000
Aerial Ca - Metal - Drop	22C	01	\$17.8913	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal 24-Guage	22C4	00	\$131.8833	NA	\$0.0000	NA	\$0.0000	0.2617	\$34.5111	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$14.5003	0.0094	\$0.1369	0.1415	\$2.0518	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP	257C	06	\$22.3209	0.0094	\$0.2107	0.1415	\$3.1584	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$9.1071	0.0094	\$0.0860	0.1415	\$1.2887	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0011	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0009	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0019	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$136.0121	0.0094	\$1.2841	0.1415	\$19.2458	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$43.1284	0.0094	\$0.4072	0.1415	\$6.1027	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$41.8022	0.0094	\$0.3946	0.1415	\$5.9150	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$4.7129	0.0094	\$0.0445	0.1415	\$0.6669	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal	45C	00	\$56.5099	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal - Drop	45C	01	\$45.8062	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal 24-Guage	45C4	00	\$295.0309	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrbid Network - Metal	52C	00	\$1.2061	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrbid Network - Metal 24-Guage	52C4	00	\$0.1372	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Metal	5C	00	\$17.5587	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8207	\$14.4111
Underground Ca - Metal 24-Guage	5C4	00	\$22.4163	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8207	\$18.3978
Aerial Ca - Fiber - Building Entrance	812C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Fiber	822C	00	\$12.6669	NA	\$0.0000	NA	\$0.0000	0.2617	\$3.3147	NA	\$0.0000
Buried Ca - Fiber	845C	00	\$21.0960	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Fiber	85C	00	\$2.7813	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8207	\$2.2827
				FRC 20C:	\$2.5640	FRC 10C:	\$38.4293	FRC 1C:	\$44.0869	FRC 4C:	\$35.0916

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**North Carolina
2-Wire Voice Grade Loop**

<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<div style="display: flex; justify-content: space-around; font-size: small;"> A B=AxFactor C=AxFactor D=AxFactor E=AxFactor </div>					<u>Direct Cost</u>
			<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Plant Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	
Buildings - COE	10C	\$38.4293	\$0.8056 0.0210	\$3.4322 0.0893	\$1.6281 0.0424	\$2.4648 0.0641	\$0.1763 0.0046	\$8.5070
Aerial Ca - Metal - Building Entrance	12C	\$0.0232	\$0.0018 0.0775	\$0.0015 0.0669	\$0.0007 0.0317	\$0.0006 0.0272	\$0.0001 0.0046	\$0.0048
Poles	1C	\$44.0869	\$1.9334 0.0439	\$3.1870 0.0723	\$1.5118 0.0343	\$1.8697 0.0424	\$0.2022 0.0046	\$8.7042
Land - COE	20C	\$2.5640	\$0.0000 0.0000	\$0.2884 0.1125	\$0.1368 0.0534	\$0.0000 0.0000	\$0.0118 0.0046	\$0.4370
Aerial Ca - Metal	22C	\$155.8098	\$12.0728 0.0775	\$10.4174 0.0669	\$4.9416 0.0317	\$4.2393 0.0272	\$0.7148 0.0046	\$32.3859
Aerial Ca - Metal - Drop	22C	\$17.8913	\$1.3863 0.0775	\$1.1962 0.0669	\$0.5674 0.0317	\$0.4868 0.0272	\$0.0821 0.0046	\$3.7188
Digitl Circ - Pair Gain	257C	\$266.8747	\$29.9655 0.1123	\$13.0984 0.0491	\$6.2134 0.0233	\$4.8504 0.0182	\$1.2243 0.0046	\$55.3520
Digital Elec Switch	377C	\$4.7129	\$0.4647 0.0986	\$0.2420 0.0513	\$0.1148 0.0244	\$0.1142 0.0242	\$0.0216 0.0046	\$0.9573
Buried Ca - Metal	45C	\$351.5408	\$25.2710 0.0719	\$23.7262 0.0675	\$11.2548 0.0320	\$12.0743 0.0343	\$1.6127 0.0046	\$73.9391
Buried Ca - Metal - Drop	45C	\$45.8062	\$3.2928 0.0719	\$3.0916 0.0675	\$1.4665 0.0320	\$1.5733 0.0343	\$0.2101 0.0046	\$9.6344
Conduit Systems	4C	\$35.0916	\$0.4148	\$2.8885	\$1.3702	\$0.0372	\$0.1610	\$4.8717

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

North Carolina
2-Wire Voice Grade Loop

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D+E+F)
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Plant Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	<u>Direct Cost</u>
			0.0118	0.0823	0.0390	0.0011	0.0046	
Intrbld Network - Metal	52C	\$1.3433	\$0.0777	\$0.0894	\$0.0424	\$0.0019	\$0.0062	\$0.2176
			0.0579	0.0665	0.0316	0.0014	0.0046	
Underground Ca - Metal	5C	\$39.9750	\$3.1410	\$2.6704	\$1.2667	\$0.7024	\$0.1834	\$7.9639
			0.0786	0.0668	0.0317	0.0176	0.0046	
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0600	0.0665	0.0316	0.0060	0.0046	
Aerial Ca - Fiber	822C	\$12.6669	\$0.7596	\$0.8429	\$0.3999	\$0.0762	\$0.0581	\$2.1367
			0.0600	0.0665	0.0316	0.0060	0.0046	
Buried Ca - Fiber	845C	\$21.0960	\$1.1653	\$1.4188	\$0.6730	\$0.0584	\$0.0968	\$3.4123
			0.0552	0.0673	0.0319	0.0028	0.0046	
Underground Ca - Fiber	85C	\$2.7813	\$0.1594	\$0.1841	\$0.0873	\$0.0077	\$0.0128	\$0.4513
			0.0573	0.0662	0.0314	0.0028	0.0046	
		<u>\$1,040.6933</u>						<u>\$212.6939</u>
Monthly Cost(Total / 12):								\$17.7245

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**North Carolina
2-Wire Voice Grade Loop**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Buildings - COE	10C	\$38.4293	\$8.5070	0.0001	\$0.0041	\$8.5111
Aerial Ca - Metal - Building Entrance	12C	\$0.0232	\$0.0048	0.0277	\$0.0006	\$0.0055
Poles	1C	\$44.0869	\$8.7042	0.0137	\$0.6054	\$9.3096
Land - COE	20C	\$2.5640	\$0.4370	0.0000	\$0.0000	\$0.4370
Aerial Ca - Metal	22C	\$155.8098	\$32.3859	0.0277	\$4.3129	\$36.6988
Aerial Ca - Metal - Drop	22C	\$17.8913	\$3.7188	0.0277	\$0.4952	\$4.2140
Digtl Circ - Pair Gain	257C	\$266.8747	\$55.3520	0.0171	\$4.5676	\$59.9195
Digital Elec Switch	377C	\$4.7129	\$0.9573	0.0167	\$0.0786	\$1.0359
Buried Ca - Metal	45C	\$351.5408	\$73.9391	0.0246	\$8.6325	\$82.5715
Buried Ca - Metal - Drop	45C	\$45.8062	\$9.6344	0.0246	\$1.1248	\$10.7592
Conduit Systems	4C	\$35.0916	\$4.8717	0.0098	\$0.3441	\$5.2158

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**North Carolina
2-Wire Voice Grade Loop**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Intrbld Network - Metal	52C	\$1.3433	\$0.2176	0.0135	\$0.0181	\$0.2357
Underground Ca - Metal	5C	\$39.9750	\$7.9639	0.0191	\$0.7629	\$8.7268
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	0.0219	\$0.0000	\$0.0000
Aerial Ca - Fiber	822C	\$12.6669	\$2.1367	0.0219	\$0.2768	\$2.4135
Buried Ca - Fiber	845C	\$21.0960	\$3.4123	0.0151	\$0.3193	\$3.7316
Underground Ca - Fiber	85C	\$2.7813	\$0.4513	0.0177	\$0.0491	\$0.5003
		\$1,040.6933	\$212.6939		\$21.5920	\$234.2859
Monthly Costs (Total / 12):			\$17.7245		\$1.7993	\$19.5238

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

North Carolina Exchange Port - 2-Wire Line Port

<u>Description</u>	<u>Volume Sensitive</u>			<u>Volume Insensitive</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$1.0616	\$0.0751	\$1.1367	\$0.0734	\$0.0000	\$0.0734
LABOR EXPENSES:						
OTHER EXPENSES:						
Total Monthly Cost	<u>\$1.0616</u>	<u>\$0.0751</u>	<u>\$1.1367</u>	<u>\$0.0734</u>	<u>\$0.0000</u>	<u>\$0.0734</u>
Gross Receipts Tax Factor			X 1.0000			X 1.0000
Cost (Including Gross Receipts Tax)			<u>\$1.1367</u>			<u>\$0.0734</u>
Common Cost Factor			X 1.0000			X 1.0000
Monthly Economic Cost			<u>\$1.1367</u>			<u>\$0.0734</u>

Total Monthly Economic Cost: \$1.2101

11/6/2001

Investment Development - Volume Sensitive

Primary Res. and Single Line Bus.

North Carolina
Exchange Port - 2-Wire Line Port

			A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF
			In-Plant Factors (Default = 1)										
					Adjusted Material	Plug-in					In-Plant Investment	Supporting Equipment &/or Power Loading	Total Investment
Description	FRC	Sub FRC	Material	Inflation Factor		Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor			
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$42.7242	1.0338	\$44.1669	NA	NA	1.1120	NA	NA	\$49.1130	1.0989	\$53.9682
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.3171	NA	NA	NA	\$0.0000	1.0989	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	NA	NA	NA	NA	\$0.0000	NA	\$0.0000
											<u>\$49.1130</u>		<u>\$53.9682</u>

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Sensitive

Primary Res. and Single Line Bus.

North Carolina
Exchange Port - 2-Wire Line Port

A=Prev Page
Col G

B

C=AxB

D

E=AxD

F

G=AxF

H

I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$53.9682	0.0094	\$0.5095	0.1415	\$7.6365	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0094	\$0.0000	0.1415	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	\$0.5095	FRC 10C:	\$7.6365	FRC 1C:	\$0.0000	FRC 4C:	\$0.0000

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

North Carolina
Exchange Port - 2-Wire Line Port

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
				Cost of Money & Factor	Income Tax & Factor	Plant Specific Expense & Factor	Ad Valorem Expense & Factor	Direct Cost
Description	FRC	Investment	Depreciation & Factor					
Buildings - COE	10C	\$7.6365	\$0.1601	\$0.6820	\$0.3235	\$0.4898	\$0.0350	\$1.6905
			0.0210	0.0893	0.0424	0.0641	0.0046	
Poles	1C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0439	0.0723	0.0343	0.0424	0.0046	
Land - COE	20C	\$0.5095	\$0.0000	\$0.0573	\$0.0272	\$0.0000	\$0.0023	\$0.0868
			0.0000	0.1125	0.0534	0.0000	0.0046	
Digital Elec Switch	377C	\$53.9682	\$5.3217	\$2.7709	\$1.3144	\$1.3075	\$0.2476	\$10.9621
			0.0986	0.0513	0.0244	0.0242	0.0046	
Conduit Systems	4C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0118	0.0823	0.0390	0.0011	0.0046	
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.3333	0.0525	0.0249	NA	0.0046	
		<u>\$62.1142</u>						<u>\$12.7394</u>
Monthly Cost(Total / 12):								\$1.0616

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**North Carolina
Exchange Port - 2-Wire Line Port**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Buildings - COE	10C	\$7.6365	\$1.6905	0.0001	\$0.0008	\$1.6913
Poles	1C	\$0.0000	\$0.0000	0.0137	\$0.0000	\$0.0000
Land - COE	20C	\$0.5095	\$0.0868	0.0000	\$0.0000	\$0.0868
Digital Elec Switch	377C	\$53.9682	\$10.9621	0.0167	\$0.9006	\$11.8627
Conduit Systems	4C	\$0.0000	\$0.0000	0.0098	\$0.0000	\$0.0000
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000	NA	\$0.0000	\$0.0000
		\$62.1142	\$12.7394		\$0.9014	\$13.6408
Monthly Costs (Total / 12):			\$1.0616		\$0.0751	\$1.1367

11/6/2001

Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

North Carolina
Exchange Port - 2-Wire Line Port

		A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF	
In-Plant Factors (Default = 1)												Supporting Equipment &/or Power Loading	Total Investment
Description	FRC	Sub FRC	Material	Inflation Factor	Adjusted Material	Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor	In-Plant Investment		
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	1.0338	\$0.0000	NA	NA	1.1120	NA	NA	\$0.0000	1.0989	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.3171	NA	NA	NA	\$0.0000	1.0989	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$2.1195	NA	\$2.1195	NA	NA	NA	NA	NA	\$2.1195	NA	\$2.1195
											\$2.1195		\$2.1195

11/6/2001

Land, Building, Pole, and Conduit Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

North Carolina
Exchange Port - 2-Wire Line Port

A=Prev Page
Col G B C=AxB D E=AxD F G=AxF H I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	0.0094	\$0.0000	0.1415	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0094	\$0.0000	0.1415	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$2.1195	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	<u>\$0.0000</u>	FRC 10C:	<u>\$0.0000</u>	FRC 1C:	<u>\$0.0000</u>	FRC 4C:	<u>\$0.0000</u>

11/6/2001

Recurring Direct Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

**North Carolina
Exchange Port - 2-Wire Line Port**

		A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
			</					

11/6/2001

Recurring Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

**North Carolina
Exchange Port - 2-Wire Line Port**

		A	B=Prev Rpt Col I	C	D=AxC	E=B+D